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SKYLINE, AUG. 18, 1988

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Lou Wolf's holdings are holding back North Side

This is the second in a three-part series.

By JOHN SCHMID

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Call it a tale of four neighborhoods.

Four lakefront neighborhoods that, instead of growing, have suffered as much as a quarter-century of pornography, blight and drugs.

Police believe mass murderer John Wayne Gacy picked up victims in one of the four neighborhoods, on the 2800 block of North Broadway.

Two others — central Uptown and the Broadway/Devon area — are just as infamous in their own ways, infamous for their girlie joints, seedy arcades and crumbling buildings.

The fourth, in the Rush Street area, is the site of "meat market" bars and alleged illegal construction.

Convicted arsonist Lou Wolf and his associates own, manage or control large amounts of property in each of the four neighborhoods. They buy it and then sit on it, waiting for a big-bucks buyer.

His storefronts and theaters sit empty or are sometimes rented to clients with what Ald. Bernard Hansen (44th) calls a "sin strip" reputation.

But even his critics credit Wolf for pumping new life into the

Exclusive

International Ampitheater and renting to some classy establishments, like Cafe Bellini at 2913 N. Clark St.

Wolf has repeatedly refused to answer questions about his holdings and activities.

Lake View East

The tale of the four neighborhoods begins in Lake View East, where county records show Wolf began buying property as early as 1963.

Wolf reportedly built Park Lane Mall, as he called it, with the help of more than half-a-million dollars in fire insurance claims he was paid in the 1960s. Investigators at the time reportedly called it "Lou's Piece of the Rock," an apparent reference to an insurance company motto.

Without bothering to get building permits, city Housing Court prosecutors alleged, Wolf converted an automobile repair garage into storefronts. He and associates snapped up other buildings on both sides of Broadway, including some on the 2900 block, renting them over the years to taverns, adult peep shows, a nude dancing emporium, discos and a video arcade. A three-year court fight by the city failed to evict the Girlies

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Broadway Book Store from the basement of 2838 Broadway, Hansen said.

Fires destroyed taverns in the 1960s at the Station, 2838 N. Broadway, and Thumbs Up, 2848 N. Broadway. The latter was resurrected as the Phoenix, an infamous bar, which is now out of business.

"Some (of Wolf's) tenants have caused a lot of problems," Hansen said.

The mall was also visited by violence. In 1979, Warner Heacox, then 29, opened a punk-rock bar called Ann Arkees at 2838 Broadway. A year later, he was found comatose in the bar, severely beaten and stabbed. No money was taken.

Rush Street

By 1970, Wolf was investing in the Rush Street entertainment area, where he reputedly controls three corners of the lucrative State and Division tavern district.

Wolf built the 5-9 W. Division building, where three high-volume taverns and music clubs are stacked on top of each other.

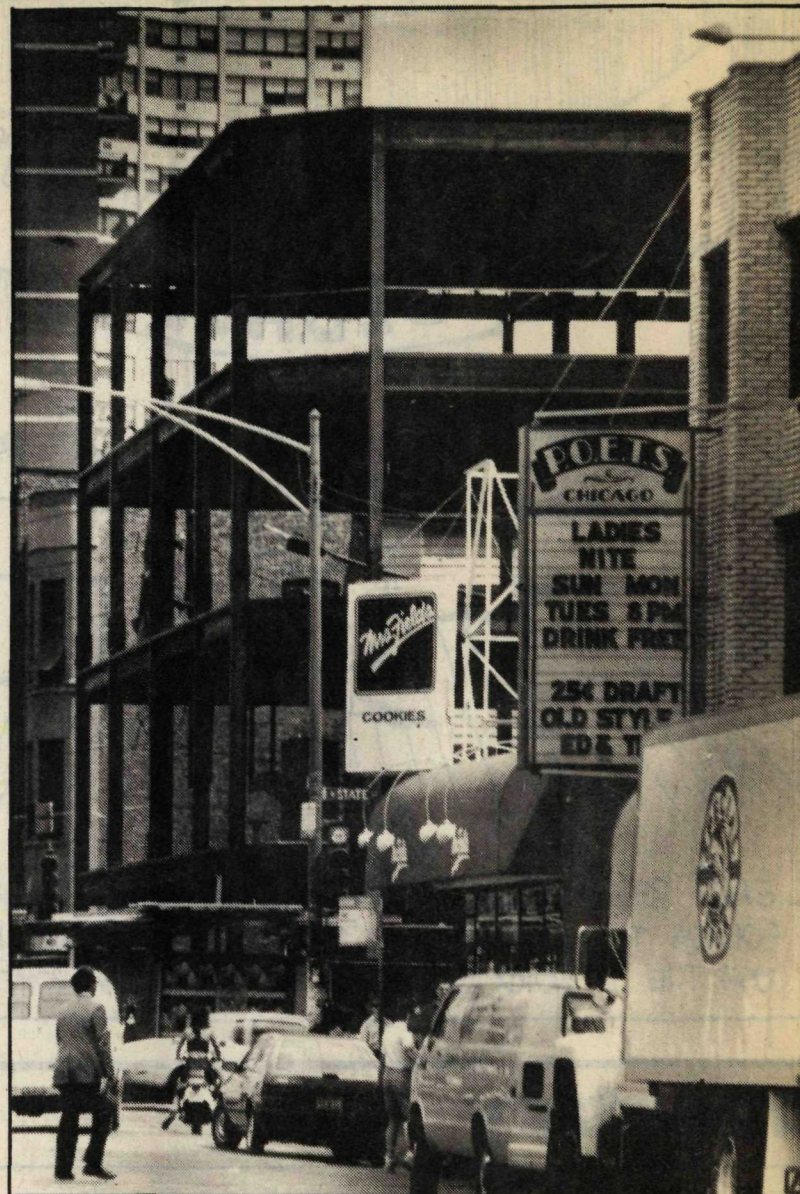
In a highly publicized court case, the city is fighting Wolf again, although this time the stakes are higher. The city wants Wolf to demolish a hulking, four-story steel shell at 1163-67 N. State. The structure allegedly violates zoning codes, the Lakefront Protection Ordinance, building and traffic codes and lacks proper construction permits.

The city had given Wolf permission to build three narrow buildings with three stories each on that site. The city contends it's impossible to determine whether the single, larger building that Wolf built instead is safe.

It would also choke parking on the narrow street, the city charged. A woman filed a separate suit after she broke her leg walking through the construction canopy, which was cited by the city for code violations as unsafe.

"What we have is something so flagrant and so out of line with plans that there's no way the city can certify that this building would be safe for occupancy," said Assistant Corporation Counsel Marc Gaynes.

"He likes to fight everybody," said Ald. Burton Natarus, whose 42nd Ward includes the State and Division intersection.



SKYLINE photo by John Booz

State and Division streets, where Wolf and his associates built several properties, such as the 5-9 W. Division tavern building and a four-story steel shell that the city wants Wolf to demolish.

Natarus said the lot at 1163-67 N. State sat vacant and undeveloped for 15 years. Now the steel skeleton, where work stopped by court order last October, is a "blight on the neighborhood," he said.

Central Uptown

Further north, away from the glitter and neon of Rush Street, lies the grit of Uptown, where Wolf and his partner, Ken Goldberg, control a cluster of properties at Broadway and Lawrence, a major commercial strip.

Wolf and Goldberg became owners of two major properties there against the wishes of Suellen Long, president of the Uptown Chamber

of Commerce. Until 1984, Long owned the Riviera Theater and the adjacent three-story office building on the corner.

Long said she told the auctioneer anyone could buy them except Wolf.

She sold them to a man who identified himself as William Berke. Unbeknownst to Long, Berke is Wolf's nephew and frequent nominee on property titles for two decades.

City Law Department chief investigator Peter Del Valle said he has doggedly sought Berke for questioning, but has never seen him.

Long said tenants fled the building next door, which has remained largely vacant. The Riviera re-

Big bucks dethrone a palace

By JOHN SCHMID
Skyline Staff Writer

What happens to a certified landmark when its owner demands the top buck to sell it?

In the case of Rogers Park's Granada Theater, it will be replaced by a high-rise. Only the facade of one of the nation's great movie palaces will remain.

The theater's undisclosed selling price is so high that developer William Kaplan insists only a 24-story tower can recover the cost of developing the site.

The derelict theater is a testament to the economic clout of its owner, Lou Wolf. Wolf has become a de facto city planner with enough influence to dictate the destiny of Chicago neighborhoods, said Assistant Corporation Counsel Marc Gaynes.

"One man has preordained the site for a high-rise because of the price he's asking," said Gaynes, who often prosecutes Wolf in Housing Court.

"Because of the price, it reduces the options for the developers," agreed Ald. David Orr (49th), who grudgingly approves of the latest and most feasible plan that has surfaced to make the property use-

ful after more than a decade of deterioration.

The Granada is the dominant building along a busy, four-block stretch of Broadway and Sheridan where Wolf controls many key properties. The strip comprises a major commercial area in Rogers Park and Edgewater. Orr calls it a "blight."

"The man controls the economic development of this entire area," Gaynes said.

Wolf's price is so high that Kaplan said he cannot finish the \$34 million project without \$5 million in federal funds in the form of an Urban Development Action Grant.

"Is that what the UDAG is for? More yuppie housing?" Gaynes asked. "And do people really want to extend high-rise housing into Rogers Park?"

Wolf has become a neighborhood "destroyer," in the words of Ald. Kathy Osterman of Edgewater's 48th Ward.

"There's no moving with Lou Wolf," Osterman said. "He just holds onto everything. Or the price is so outrageous. No one can buy it."

Last year a mysterious group of developers announced they had

purchased the theater to build a high-rise with "28 to 40" stories. The investors didn't disclose their names for weeks.

During the ensuing clamor, Orr repeatedly vowed to block any project in which Wolf had a hand. The group denied Wolf had any involvement. Their spokesman, Osbourne K. Sims, and one of the investors, Sam Frontera, are known to have business dealings with Wolf.

Armed with a crowbar and court order, Gaynes literally broke into the Granada last year. He resorted to forced entry because Wolf had not complied with an earlier court order to allow an interior inspection. Gaynes said Wolf failed to respond to phone calls and letters.

Wolf is said to act secretly, even with other real estate agents. In 1985, Larry Blandin wanted to rent the Granada and called Wolf.

Speaking in a whisper, Wolf demanded: "How'd you get my name? How'd you get my number? What do you want?" according to Blandin.

"It was not an ordinary business conversation," Blandin recalled. "They didn't give the time of day. They were wary and suspicious and nervous."

mained vacant long enough for water pipes to break and cause extensive damage, according to an insurance company that refuses to pay a \$340,000 damage claim.

"I'm a community activist," Long said. Referring to the Riviera, she said, "I had loved that building. I wanted that building to look better."

Standing at Lawrence and Broadway, one can see the scale of Wolf and Goldberg's holdings. In addition to the Riviera, Wolf and Goldberg control the vacant Uptown Theater, the second largest theater in the country. Their assets include the sprawling and once-vacant Goldblatt's department store building and other vacant or deteriorating lots and storefronts in the area.

Corky Jester, director of the Uptown Chicago Commission, said Wolf owns the deteriorating gas station and sprawling, wind-swept lot at Lawrence and Winthrop. The lot is the former home of the Uptown Recycling Station, a non-profit venture Wolf ordered off the site when he purchased it, said director

Ken Dunn.

Rogers Park

Further north is a four-block stretch of Broadway. The strip begins at Arthur Avenue where Wolf has 17 storefronts and the hulking, long-vacant Granada Theater. Ald. David Orr (49th) calls the strip a "blight" that "contributed to neighborhood decline."

Across the street, Wolf owns the corner building at 6350 N. Broadway, largely vacant except for a rock club on the first floor. The building with its tiled Art Deco facade, considered by Housing Court attorneys to have visibly decayed, is listed in three Housing Court cases over the past four years.

At the nearby corner of Rosemont and Broadway is the AKA nightclub, also a Wolf building. Nearby is the long-vacant Devon Theater, marked with litter and graffiti.

Around the corner are several storefronts on Granville, including

the subject of a successful community-led court fight in 1986 that sought to oust an adult bookstore and peep show.

Another site, on Rosemont and Broadway, is a derelict, crumbling parking lot and a long-vacant supermarket, listed under the title of William Berke and Ken Goldberg.

The supermarket was the site of a battle royale in 1982 when a promoter quietly began to install what was billed as the "World's Biggest Video Arcade," Orr said. In an angry letter Orr wrote to Mayor Jane Byrne, Orr said he feared it might be an "adult arcade."

Construction at 1124 W. Rosemont was started without permits, the letter said. A permit was improperly awarded and work began again, with 100 games installed. That permit later was revoked and the arcade was finally evicted.

But since then, the supermarket has stood boarded up and the adjacent lot has remained empty.

Next week: How does he do it?



THE GRANADA THEATER: One piece in Lou Wolf's massive puzzle of property. (Photo by John Booz)

AUG 24 1988
ROSEBANK PARK - EDGEMONT NEWS